

TO THE HONORABLE UNITED STATES BANKRUPTCY JUDGE PRESIDING:

William T. Neary, the United States Trustee for Region 6 (“U.S. Trustee”) hereby files in the above-numbered and captioned bankruptcy case (“Case”) his Motion to Convert or Dismiss with Prejudice Pursuant to 11 U.S.C. § 1112(b), or in the Alternative, for Other Relief (“Motion”) and respectfully states in support thereof:

Jurisdiction and Timeliness

1. This Court has subject matter jurisdiction under 28 U.S.C. §§ 1334, 157(a), and the standing order of reference. This is a core proceeding pursuant to 28 U.S.C. § 157. The predicate for the relief requested herein is Bankruptcy Code section 1112(b).

Background and Requested Relief

2. The Debtor filed the Case on April 8, 2021 (“Petition Date”), and operates its restaurant and bar business as a debtor-in-possession.

3. The Debtor has not filed an operating report during the Case, and is currently delinquent on reports for April, May, and June.

4. The Debtor does not appear to be using a debtor-in-possession account. The most recent statement from Plains Capital Bank, dated June 30, 2021, did not indicate a debtor-in-possession account designation and reflected a balance of \$102,329.

5. Due to the lack of operating reports in the Case, the U.S. Trustee and other parties cannot effectively monitor the Debtor’s use of cash or accurately calculate U.S. Trustee fees in the Case.

6. The Debtor has also not provided the U.S. Trustee’s office with proof of insurance on its business contents.

7. The Debtor's failure to comply with U.S. Trustee Guidelines to use a debtor-in-possession account, administrative reporting and fee requirements, and failure to provide proof of insurance of estate property constitutes cause under 11 U.S.C. § 1112(b) for conversion, dismissal with prejudice to re-filing, or, in the alternative, imposition of a case resolution deadline.

WHEREFORE, the U.S. Trustee respectfully requests that the Court issue an order (a) converting the Case to chapter 7; (b) dismissing the Case with prejudice, or (c) subjecting the Debtor to confirmation deadlines; and granting such other further appropriate relief.

Dated: August 16, 2021

Respectfully submitted,

William T. Neary
United States Trustee

/s/ Marcus F. Salitore
Trial Attorney
Texas Bar 24029822
300 Plaza Tower
110 N. College
Tyler, Texas 75702
(903) 590-1450 Ext. 216

Certificate of Service

The undersigned hereby certifies that a copy of the foregoing document was served on the following listed persons through the court's electronic notification system as permitted by Appendix 5005 to the Local Rules of the U.S. Bankruptcy Court for the Eastern District of Texas, or by first class United States Mail, postage prepaid, no later than August 17, 2021.

/s/ Marcus F. Salitore

DEBTOR:

Trophy Hospitality, LLC
3351 Waverly Drive
Celina, TX 75009

DEBTOR'S COUNSEL:

Eric A. Liepins
Eric A. Liepins, P.C.
12770 Coit Road
Suite 850
Dallas, TX 75251

SUBCHAPTER V TRUSTEE:

Scott SEIDEL
Sub V Chapter Trustee
6505 West Park Boulevard
Ste. 306
Plano, TX 75093

NOTICES OF APPEARANCE:

Michael D. Warner, Esq.
Benjamin L. Wallen, Esq.
PACHULSKI STANG ZIEHL & JONES, LLP
440 Louisiana Street, Suite 900
Houston, TX 77002

Laurie Spindler
LINEBARGER GOGGAN BLAIR & SAMPSON, LLP
2777 N. Stemmons Freeway
Suite 1000
DALLAS, TX 75207

Frisco ISD
c/o Linda D. Reece
Perdue, Brandon, Fielder, Collins & Mott, L.L.P.
1919 S. Shiloh Rd., Suite 310
Garland, TX 75042

MATRIX FOLLOWS:

Label Matrix for local noticing
0540-4
Case 21-40512
Eastern District of Texas
Sherman
Mon Aug 16 13:41:24 CDT 2021

Megan M. Adeyemo
Gordon & Rees LLP
2200 Ross Avenue, Suite 3700
Dallas, TX 75201-2794

Aramak Uniform Services
P.O. Box 731676
Dallas, TX 75373-1676

Bigs Investment Holdings, LLC
c/o Travis Richard
5335 Spring Valley
Dallas, TX 75254-3009

Bigs Investments Holdings, LLC
c/o Travis Richard
5335 Spring Valley
Dallas, TX 75254-3009

Blue Star Frisco Retail, LLC
1 Cowboys Way, Ste. 100
Frisco, TX 75034-1977

Blue Star Frisco Retail, LLC
c/o Michael D. Warner, Esq.
440 Louisiana St., Ste. 900
Houston, TX 77002-1062

Blue Star Frisco, LP
8000 Warren Parkway
Building 1, Suite 100
Frisco, TX 75034-2231

Blue Star Frisco, LP
1 Cowboys Way, Suite 100
Frisco, TX 75034-1977

Celtic Bank
268 S. State St., Ste. 300
Salt Lake City, UT 84111-5314

City of Frisco
Linebarger Goggan Blair & Sampson, LLP
c/o Laurie A. Spindler
2777 N. Stemmons Frwy
Suite 1000
Dallas, TX 75207-2328

City of Frisco
Linebarger Goggan Blair & Sampson, LLP
c/o Laurie A. Spindler
2777 N. Stemmons Freeway
Suite 1000
Dallas, TX 75207-2328

Comptroller of Public Accounts
C/O Office of the Attorney General
Bankruptcy - Collections Division MC-008
PO Box 12548
Austin TX 78711-2548

Fix A Drip
8732 Ukiah
Dallas, TX 75227-8224

Freshpoint
4721 Simonton
Dallas, TX 75244-5316

Frisco ISD
c/o Perdue Brandon Fielder et al
1919 S. Shiloh Road, Suite 310, LB 40
Garland, TX 75042-8234

Eric A. Liepins
Eric A. Liepins, P.C.
12770 Coit Road
Suite 850
Dallas, TX 75251-1364

(p)PURELY MEAT COMPANY
4345 W DIVISION STREET
CHICAGO IL 60651-1714

Linda Reece
1919 S. Shiloh Road, Suite 310, LB 40
Garland, TX 75042-8234

Scott SEIDEL (SBRA V)
Sub V Chapter Trustee
6505 West Park Boulevard
Ste. 306
Plano, TX 75093-6212

Marcus Salitore
US Trustee Office
110 N. College Ave., Room 300
Tyler, TX 75702-7231

Sani Servant
3100 E Meadows
Mesquite, TX 75150

Seidel Scott
Chapter 7 Trustee
6505 W. Park Blvd.
Plano, TX 75093-6208

Callan Clark Searcy
Texas Attorney General
300 W. 15th Street, Mail MC-008
78701
Austin, TX 78701-1649

Shiloh Oak Investment, LLC
c/o Travis Richard
5335 Spring Valley
Dallas, TX 75254-3009

Shiloh Oak Investment, LLC
c/o Travis Richard
5335 Spring V alley
Dallas, TX 75254-3009

Small Business Admin
P.O. Box 3918
Portland, OR 97208-3918

Laurie A. Spindler
Linebarger, Goggan, Blair & Sampson
2777 N. Stemmons Frwy Ste 1000
Dallas, TX 75207-2328

Texas Comptroller of Public Accounts, Revenue
Callan Searcy
c/o Sherri K. Simpson, Paralegal
PO Box 12548
Austin, TX 78711-2548

Trophy Hospitality, LLC
3351 Waverly Drive
Celina, TX 75009-1501

U.S. Attorney General
 Department of Justice
 Main Justice Building
 10th & Constitution Ave., NW
 Washington, DC 20530-0001

US Trustee
 Office of the U.S. Trustee
 110 N. College Ave.
 Suite 300
 Tyler, TX 75702-7231

John M. Vardeman
 UST Office
 110 N. College St., Suite 300
 Tyler, TX 75702-7231

Wade Electric
 7217 Parwelk
 Dallas, TX 75235

Michael D. Warner
 Pachulski Stang Ziehl & Jones LLP
 440 Louisiana Street
 Suite 900
 Houston, TX 77002-1062

Waste Management
 1001 Fannin
 Houston, TX 77002-6717

The preferred mailing address (p) above has been substituted for the following entity/entities as so specified by said entity/entities in a Notice of Address filed pursuant to 11 U.S.C. 342(f) and Fed.R.Bank.P. 2002 (g) (4).

Purely Meat Company
 4345 W Division
 Chicago, IL 60651

(d)Purely Meat Company
 4345 W Division
 Chicago, IL 60651

The following recipients may be/have been bypassed for notice due to an undeliverable (u) or duplicate (d) address.

(d)Aramak Uniform Services
 P.O. Box 731676
 Dallas, TX 75373-1676

(d)Celtic Bank
 268 S State Street
 Suite 300
 Salt Lake City, UT 84111-5314

(d)Fix A Drip
 8732 Ukiah
 Dallas, TX 75227-8224

(d)Frisco ISD
 c/o Perdue Brandon Fielder et al
 1919 S. Shiloh Road, Suite 310, LB 40
 Garland, TX 75042-8234

(d)Small Business Admin
 PO Box 3918
 Portland, OR 97208-3918

(d)Wade Electric
 7217 Parwelk
 Dallas, TX 75235

End of Label Matrix
 Mailable recipients 35
 Bypassed recipients 6
 Total 41